

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Postal Rate And Fee Changes, 1997

Docket No. R97-1

INTERROGATORIES OF
ALLIANCE OF NONPROFIT MAILERS
TO USPS WITNESS SHARON DANIEL
(ANM/USPS-T29-30-32)
September 17, 1997

Pursuant to sections 25 and 26 of the Commission's Rules of Practice, the Alliance of Nonprofit Mailers ("ANM") respectfully submits the attached interrogatories and requests for production of documents. Instructions for these questions appear in Appendix A.

ANM/USPS-T29-30

The unit mail processing cost (cents per piece) for Standard A Regular Rate Automation letters in Docket Nos. MC95-1 and R97-1 are shown below, and are taken from USPS-T-12C, page 2 (revised 6/20/95) and USPS-29A, page 1, and respectively.

	Docket No <u>MC95-1</u>	Docket No <u>R97-1</u>	<u>Difference</u>	<u>Percent Change</u>
Basic	5.8752	5.2736	-0.6016	-10.2
3-Digit	5.0942	4.7225	-0.3687	-7.2
5-Digit	3.3317	3.4227	+0.0910	+2.7

- a. Please confirm that the unit costs shown here are correct. If you do not confirm, please supply the correct unit costs.
- b. Please explain all factors that caused the mail processing unit cost of Automation Basic Letters to decline between Docket No. MC95-1 and Docket No. R97-1.
- c. Please explain all factors that caused the mail processing unit cost of Automation 3-Digit letters to decline between Docket No. MC95-1 and Docket No. R97-1, but by a lesser amount than Basic Automation letters.

- d. Please explain all factors that caused the mail processing unit cost of Automation 5-Digit letters to increase between Docket No. MC95-1 and Docket No. R97-1. In particular, please explain why the unit mail processing cost of Automation 5-Digit letters increased while the unit mail processing cost of Automation Basic and 3-Digit letters decreased.

ANM/USPS-T29-31

The unit mail processing cost (cents/pc) for Standard A Nonprofit Automation letters in Docket Nos. MC96-2 and R97-1 are shown below, and are taken, from respectively, USPS-5C, page 1 and USPS-29B, page 1.

	Docket No. <u>MC96-2</u>	Docket No. <u>R97-1</u>	<u>Difference</u>	<u>Percent Change</u>
Basic	3.9332	4.0747	+0.1415	+3.6
3-Digit	3.5135	3.6227	+0.1092	+3.1
5-Digit	2.3064	2.6390	+0.3326	+14.4

- a. Please confirm that the unit costs shown here are correct. If you do not confirm, please supply the correct unit costs.
- b. In light of the reduction in the volume variability of mail processing costs proposed in this docket, please explain all factors that caused the unit mail processing costs of nonprofit Automation Basic letters to increase between Docket No. MC96-2 and Docket No. R97-1.
- c. Please explain why the unit mail processing costs of Nonprofit Automation Basic letters increased while the unit costs of Regular Rate Automation Basic letters decreased.
- d. In light of the reduction in the volume variability of mail processing costs proposed in this docket, please explain all factors that caused the unit mail processing costs of nonprofit Automation 3-Digit letters to increase between Docket No. MC96-2 and Docket No. R97-1.
- e. Please explain why the unit mail processing costs of Automation Nonprofit 3-Digit letters increased while the unit costs of Regular Rate Automation 3-Digit letters decreased.
- f. Please explain what caused the unit mail processing cost of Nonprofit Automation 5-Digit letters to increase so much more (both in absolute and percentage amount) between


Docket No. MC96-1 and Docket No. R97-1.

- g. Please explain why the unit mail processing cost of Nonprofit Automation 5-Digit letters increased by so much more, in both absolute and percentage amounts, than Regular Rate Automation 5-Digit letters.

ANM/USPS-T29-32

Please refer to USPS-29A, page 2 and USPS-29B, page 2. Please explain why the operation "BMCs/spb" is treated as proportional for Regular Rate letters and fixed for Nonprofit letters. If either entry is in error, please identify which one and explain what adjustments should be made.

Respectfully submitted,

A handwritten signature in cursive script that reads "David M. Levy/deh".

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September 17, 1997

INSTRUCTIONS

1. If the designated witness cannot answer a question, please redirect it to another witness who can.
2. If the requested data cannot be produced with reasonable effort in the exact format or level of detail requested, please produce all data available in (1) a substantially similar format or level of detail, or (2) susceptible to being converted to the requested format and detail.
3. The term "documents" includes, but is not limited to: letters, telegrams, memoranda, reports, studies, newspaper clippings, speeches, testimony, pamphlets, charts, tabulations, and workpapers. Documents also include information on computer media, microfilm and other non-paper media.
4. Responses to requests for explanations or the derivation of numbers should be accompanied by workpapers. Workpapers shall include sufficient backup material to enable a third party to replicate the final results from the primary sources. Where arithmetic manipulations were performed by a computer with internally stored instructions, and no English language intermediate printouts were prepared, the arithmetic steps should be replicated by manual or other means.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document on all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

David M. Levy /dch

September 17, 1997